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Biotechnology

ASA Delegation Meets with French Industry on T&L 2005

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Report Highlights:

A delegation sponsored by the American Soybean Association (ASA), representing the U.S. soybean industry and including Congressional staffers, had meetings with French regulatory authorities and representative of the French food and feed industry on the implementation of the EU labeling and traceability (T&L) regulation. The French industry explained the pressure they are facing from anti-biotech activists. However, they do not believe the coming revision of the EU T&L regulation will include compulsory GM labeling for animal products, and they were critical of the zero tolerance of unapproved biotech products set by the EU. The French MinAg suggested that GM labeling of processing aids could be discussed when reviewing the T&L regulation.

Includes PSD Changes: No
Includes Trade Matrix: No
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From May 30 to June 1, 2005, a fact-finding mission lead by the American Soybean Association travelled to France to educate key Congressional staff and top soybean leaders on trade-related issues impacting U.S. exports of soybeans and products to France. FAS/Paris organized their schedule of meetings and visits and accompanied the delegation to these appointments. The two major issues discussed were agro-biotechnology and biofuels.

The delegation sponsored by ASA discussed the biotech issue with key representatives of the French Ministry of Agriculture and the Fraud Control Office of the French Ministry of Economy, Finance and Industry, the French associations for the food and feed industries and more specifically the oil and starch industries, as well as soybean traders.

The French industry explained to the U.S. visitors the pressure they faced from their customers and the anti-biotech activists (mainly Greenpeace) when they tried to put GM food products on the market. They cited the lack of market for GM corn grown in France since 1997, and the recent "blacklisting" by Greenpeace of supermarket chains selling bottles of table oil made from GM soybeans.

The French food industry stated that they opposed GM labeling of meat, dairy and egg products from animals fed on GM feed, despite Greenpeace pressure. The MinAg stressed the French government's opposition to such labeling, and believed the EU T&L regulation won't apply GM labeling to these animal products, when reviewed next fall.

The French industry agreed that the labeling thresholds imposed by the EU T&L regulation are very low and difficult to implement, as sampling and testing are very costly. This is particularly the case for the 0 percent threshold for unapproved GM products.

The MinAg indicated that, while the current EU regulation does not impose GM labeling on processing aids (such as enzymes or yeasts), this might be reviewed next fall when the EU T&L regulation is reviewed. The starch industry also explained that GM labeling in Europe is usually for products disseminated into the environment more than products used in confined area, like processing aids, which they believe to be reversible.

The French industry insisted that the GM crops currently approved present insufficient benefits either for consumers or for growers in France and Europe to switch to a positive perception of the technology. Interestingly, they added that the cost argument was not an issue in France, since the cost of raw materials and ingredients represent a marginal share of the price of final products.

Finally, the French MinAg considers the EU moratorium to be lifted because the authorization process is functioning and new GM crops were approved in the past year, while the ASA delegation believed the EU moratorium to be not effectively lifted given the continuous opposition of some Member States to GM crops.